



**Australian Government**

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**Office of the Australian Building and  
Construction Commissioner**

# **Finance Direction 10**

## **Procurement of Goods & Services**

**Process Owner:** Chief Financial Officer  
**Version Number:** 2.0  
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## Change History

Update the following table as necessary when this document is changed:

Date	Nature of Change
January 2008	Procedure Drafted
May 2008	Approved version
July 2008	Clarification of CMC Role
July 2008	Changes in CMC Review Threshold
January 2010	Position titles amended
April 2011	New procedure issued
May 2011	New procedure for purchase of mobile ICT devices/software
August 2011	Procedure Updated for New Organisational Structure

## Table of Contents

<b>1. Commissioner’s Instruction (CI)</b> .....	<b>3</b>
<b>2. Introduction &amp; Objectives</b> .....	<b>3</b>
<b>3. Supporting Information</b> .....	<b>3</b>
3.1 Related References & Pronouncements .....	3
3.2 Forms.....	3
<b>4. Guidelines</b> .....	<b>4</b>
4.1 Purchasing Requirements .....	4
4.2 Commonwealth Procurement Guidelines (CPGs) .....	4
4.3 Contract Management Committee (CMC) .....	4
4.4 Risk Management of Contracts .....	5
4.5 Procurement of Goods/Services.....	6
4.6 Category 1 Contracts – Procurement .....	6
4.7 Category 2 Contracts - Approaches to the Market .....	7
4.8 Category 2 Contracts - Procurement.....	8
4.9 Contract Register .....	9
4.10 Government Reporting Requirements.....	10
4.11 Delegate Approval .....	10
4.12 Procurement of Goods and Services with a Commitment to Spend Moneys in Subsequent Financial Year(s) .....	11
4.13 Purchase of Mobile ICT Devices/Software .....	11
<b>Appendix A: Procurement Policy Summary</b> .....	<b>13</b>
<b>Appendix B: Contract Proposal</b> .....	<b>15</b>
<b>Appendix C: Contract Manager Responsibilities</b> .....	<b>16</b>
<b>Appendix D: Contract Register Update</b> .....	<b>19</b>

# 1. Commissioner’s Instruction (CI)

The ABCC will maintain a Contract Management Committee (CMC) with responsibility for purchasing practices within the ABCC.

All procurement and contract execution must be approved by a Delegated Official.

# 2. Introduction & Objectives

The ABCC purchases goods and services to assist in achieving its stated objectives. Whenever the ABCC enters into an agreement with a supplier for the provision of goods or services, a contract is created. This contract may be a formal written contract, other written communication or a verbal agreement. The ABC Commissioner has established a Contract Management Committee (CMC) to provide a strategic focus for contract management and to assist in considering contracting issues.

The CMC is responsible for:

- a) overall management of contracting processes;
- b) reviewing contract proposals;
- c) ensuring that contracts comply with the **'Commonwealth Procurement Guidelines' (CPGs)**;
- d) reviewing contract documentation; and
- e) determining the training required for staff involved in contract management.

All proposals to spend public moneys must be approved by an officer delegated by the ABC Commissioner (the Approver).

# 3. Supporting Information

## 3.1 Related References & Pronouncements

<b>FMA Act 1997:</b>	<ul style="list-style-type: none"> <li>▪ Section 41 to 44</li> </ul>
<b>FMA Regulations:</b>	<ul style="list-style-type: none"> <li>▪ Regulations 7 to 14</li> </ul>
<b>Related Finance Directions:</b>	
<b>Other References:</b>	<ul style="list-style-type: none"> <li>▪ Commonwealth Procurement Guidelines.</li> </ul>

## 3.2 Forms

<b>Report/Form:</b>	<b>Contact</b>	<b>Location:</b>
Contract Proposal		Appendix B
Contract Register Update		Appendix D

## 4. Guidelines

### 4.1 Purchasing Requirements

- 4.1.1 Team Managers are to ensure that all staff involved in purchasing goods or services on behalf of the ABCC are familiar with these guidelines.
- 4.1.2 Within the ABCC, all purchasing must be carried out in accordance with the requirements of the Contract Management Committee (CMC) and be approved by an officer delegated by the ABC Commissioner to approve proposals to spend public moneys (the Approver).

### 4.2 Commonwealth Procurement Guidelines (CPGs)

- 4.2.1 The Commonwealth Procurement Guidelines (CPGs) establish the core procurement policy framework and articulate the Government's expectations of all agencies subject to the *Financial Management and Accountability Act 1997* (FMA Act) and their officials. A summary of this framework is at Appendix A.
- 4.2.2 ABCC employees must have regard to the CPGs when making procurement decisions. The core objective of achieving value for money for the Commonwealth should be promoted through:
- encouraging competition by ensuring non-discrimination in procurement and using competitive procurement processes; and
  - making decisions in an accountable and transparent manner.
- 4.2.3 Value for money requires a comparative analysis of all relevant costs and benefits of each procurement proposal throughout the whole procurement life cycle (whole-of-life costing).

### 4.3 Contract Management Committee (CMC)

- 4.3.1 The ABC Commissioner has established a CMC with overall responsibility for ABCC procurement.
- The ABC Contract Management Committee (CMC) shall be chaired by the Executive Director, Governance and comprise the Chair, Chief Financial Officer, Deputy ABC Commissioner, Legal and an SES (preferably) or EL2 officer from the Group seeking CMC consideration of their procurement. The Chair shall have the casting vote in the event of a tied vote.
  - In the absence of the Executive Director, Governance, the Chief Financial Officer will act as the Chair. An acting Chair may also be appointed by the ABC Commissioner if required.
  - The Director, Finance, Executive Director, Legal (Eastern or Central/West) or Director, Conformance may be appointed to the CMC by the Chair in the absence of the Chief Financial Officer, Deputy ABC Commissioner, Legal or Executive Director, Governance respectively.

## 4.4 Risk Management of Contracts

- 4.4.1 The CMC applies risk management principles to contract administration by applying greater scrutiny to higher value, higher risk or complex contracts. Accordingly the CMC classifies contracts as either Category 1 or 2 as follows:

### Category 1 Contracts

- New ongoing contracts, or variations to existing ongoing contracts, with a value less than \$50,000 (incl. GST)
- One-off expenditure proposals with a value less than \$50,000 (incl. GST).
- Expenditure proposals of any value against existing, previously approved, ongoing contracts.

- **Category 1 purchases < \$2,000** – one written quote from the supplier or one oral quote which must be recorded in writing.
- **Category 1 purchases >= \$2,000 and < \$20,000** – it is recommended that at least one written quote be obtained from suppliers. The decision on the number of quotes is the responsibility of the delegate. The delegate must be satisfied that the number of quotes sought will help achieve value for money.
- **Category 1 purchases >= \$20,000 and < \$50,000** – it is recommended that at least three written quotes be obtained from suppliers (Request for Offer or RFO). The decision on the number of quotes required is the responsibility of the delegate. Less than three quotes can be obtained, but the delegate must justify their decision in writing and be satisfied that the number of quotes sought will help achieve value for money.
- Category 1 purchases that are assessed as being low risk must use the ABCC Standard Form Request for Offer (RFO) and standard Form Contract templates as applicable.
- Category 1 purchases that are assessed as being medium or high risk must use the Standard Services Agreement or Standard Consultancy Agreement as applicable.

### Category 2 Contracts

- New ongoing contracts or variations to existing ongoing contracts with a value of \$50,000 or more (incl. GST).
- One-off expenditure proposals with a value of \$50,000 or more (incl. GST).
- New ongoing contracts or variations to existing ongoing contracts with a value less than \$50,000 (incl. GST) that are high risk, complex or unusual may be referred to the CMC by the appropriate delegate for review.
- One-off expenditure proposals with a value less than \$50,000 (incl. GST) that are high risk, complex or unusual may be referred to the CMC by the appropriate delegate for review.
- Expenditure proposals of any value against existing previously approved ongoing contracts that are high risk, complex or unusual may be referred to the CMC by the appropriate delegate for review.

- **Category 2 purchases >= \$50,000 and < \$80,000** – require the proposal to be submitted to the ABCC Contract Management Committee (CMC) for consideration. The CMC will recommend the process to be followed for the procurement (including the number of quotes to be sought), taking into account the Commonwealth Procurement Guidelines (CPGs).
- **Category 2 purchases >= \$80,000** – open market tender (Request for Tender or RFT) required in accordance with the CPGs. This threshold and associated requirements are mandatory and cannot be changed. The proposal must be submitted through the CMC for consideration. The CMC will recommend the process to be followed for the procurement, taking into account the CPGs.
- Following the procurement process, the CMC will recommend the preferred supplier. A financial delegate must approve all Category 2 purchases following consideration and recommendation by the CMC.
- Category 2 purchases < \$80,000 that are assessed as being low risk must use the ABCC Standard Form Request for Offer (RFO) and Standard Form Contract templates as applicable.
- Category 2 purchases >= \$80,000 or that are assessed as being medium or high risk must use the Standard Request for Tender, Standard Services Agreement and/or Standard Consultancy Agreement as applicable.

## 4.5 Procurement of Goods/Services

- 4.5.1 FMA Regulation 8(1) requires officials to have regard to the CPGs when undertaking procurement activities. FMA Regulation 8(2) states an employee who takes action that is not consistent with the CPG's must make a written record of his or her reasons for doing so.
- 4.5.2 A person procuring goods/services on behalf of the ABCC must demonstrate the need for the purchase to the Approver prior to initiating procurement action. Factors that need to be taken into account include:
- compatibility with existing resources and planned procurements;
  - deadlines and lead times involved; and
  - need for staff consultation.
- 4.5.3 The procurement evaluation criteria should clearly identify the relative importance of all relevant factors, and provide a sound basis for a procurement decision.
- 4.5.4 Specifications are to contain sufficient detail for bidders to offer goods/services that meet required needs. They should:
- state required features clearly, concisely, logically and unambiguously;
  - allow goods/services to be evaluated against defined criteria by examination (on-site inspection, trial, test or documentation etc);
  - state terms for payment;
  - state OH&S requirements (if applicable);
  - state if goods are manufactured from harmful substances (if applicable); and
  - comply with any other Commonwealth regulation or policies relevant to the procurement.

## 4.6 Category 1 Contracts – Procurement

- 4.6.1 A quotation is required for each Category 1 proposal as follows:

Less than \$2,000

Obtain one written quote from the supplier or one oral quote which must be recorded in writing.

\$2,000 and less than \$20,000 It is recommended that at least one written quote be obtained from suppliers. The decision on the number of quotes required is the responsibility of the delegate. The delegate must be satisfied that the number of quotes sought will help achieve value for money.

\$20,000 and less than \$50,000 It is recommended that at least three written quotes be obtained from suppliers (Request for Offer or RFO). The decision on the number of quotes required is the responsibility of the delegate. Less than three quotes can be obtained, but the delegate must justify their decision in writing and be satisfied that the number of quotes sought will help achieve value for money.

4.6.2 The Approver's approval (written or oral) must be obtained prior to entering an arrangement to purchase goods and/or services.

4.6.3 The Approver's written approval must be obtained prior to paying for the goods and/or services.

## 4.7 Category 2 Contracts - Approaches to the Market

4.7.1 The Contract Management Committee (CMC) will recommend the process to be followed for all Category 2 procurements taking into account the requirements of the Commonwealth Procurement Guidelines (CPGs).

4.7.2 The CPGs specify mandatory procurement procedures to be followed if the procurement has a value of \$80,000 (incl. GST) or more (covered procurements). This threshold applies to the entire period covered by the proposed procurement, e.g. a service over two years includes the total estimated cost (incl. GST) over two years, not just the annual cost. The CPGs require an open approach to the market for covered procurements unless the proposed procurement meets the specific criteria for select tendering or direct sourcing.

4.7.3 An open approach to the market can either be in the form of an open Request for Tender (RFT) or for an open Expression of Interest (EOI) as part of a multi-staged process which would be followed by a select tender.

4.7.4 A select tender can be undertaken where there are established multi-use lists (e.g. Endorsed Supplier Arrangement (ESA) for Information Technology, major office machines, commercial office furniture and auctioneering), panels or following an open EOI. It is mandatory for agencies to use the ESA for any procurement of IT and major office machines.

4.7.5 For covered procurements, the CMC will consider whether a formal Evaluation Committee is required and the nature and form of any written evaluation report required from the Contract Management Committee/Evaluation Committee for written approval by the appropriate delegate (the Approver). All procurement recommendations made by the CMC/Evaluation Committee and/or the Approver will be adequately documented.

### Requests for Tender

4.7.6 An RFT is to be prepared for each tender whether open or select (template RFT document is available from the Finance Unit Intranet).

4.7.7 After the CMC reviews the RFT documentation, they will appoint an Evaluation Committee to consider the tender submissions.

4.7.8 The Contract Manager is responsible for making the following notifications:

## 1. AusTender

All open tenders must be placed on the Government's "AusTender" system (requirement for all open approaches to the market, including requests for tender, expressions of interest and inclusion on a multi-use list). A form needs to be completed with details of the tender including tender period (the CPGs generally require a period of at least 25 working days), contact details and link to tender documentation on the ABCC website and forwarded to the Assistant Director, Business Services, who will confirm the placement of the tender onto AusTender and advise the reference number which must appear on the front of the tender documents.

## 2. ABCC Website

The tender documents are to be forwarded to the Assistant Director, Business Services for posting to the ABCC website. If required, a dedicated e-mail address can be established for receipt of tenders.

## 3. Media Advertising

If considered warranted, the tender can be advertised in the media (generally appropriate newspapers or publications). The Department of Prime Minister and Cabinet (PM&C) has responsibility for coordination of Commonwealth media advertising. PM&C has negotiated a centralised advertising agreement with media organisations to obtain advantageous rates for the Commonwealth (current agent is HMA Blaze). The ABCC is required to observe the terms and conditions of that agreement including paying accounts by the tenth day of the month following the month in which the account was rendered.

- 4.7.9 The request documentation provided to suppliers must be identical to that published on AusTender.
- 4.7.10 Following the receipt of responses to the tender the Contract Manager and/or Evaluation Committee needs to assess each response against the evaluation criteria. Where a large number of responses are received the short-listing of respondents to a manageable number may be appropriate.

## 4.8 Category 2 Contracts - Procurement

- 4.8.1 A quotation is required for each Category 2 proposal as follows:

\$50,000 and less than \$80,000	Contract Management Committee recommendation on the number of quotes to be obtained from suppliers Contract Management Committee scrutiny.
\$80,000 and greater	Open market tender (RFT) in accordance with the CPGs Contract Management Committee scrutiny.

- 4.8.2 The submission to the CMC for consideration will encompass the evaluation together with an analysis of resourcing implications, risk assessment, implementation strategy and contracting issues, and taking into account the requirements of the CPGs.
- 4.8.3 The CMC may request additional information before making a recommendation. All procurement decisions and recommendations made by the CMC/Evaluation Committee and/or the Approver will be adequately documented.
- 4.8.4 The CMC will consider whether a formal Evaluation Committee is required, the nature and form of any written evaluation report required from the Contract Management Committee/Evaluation Committee for written approval by the appropriate delegate (the Approver) and the number of written quotes to be obtained from suppliers in the case of Category 2 Procurements less than \$80,000 (incl. GST). The CMC may also recommend that the mandatory procurement procedures specified in the CPGs are to apply to a Category 2 Procurement less than \$80,000 (incl. GST).

- 4.8.5 Where the period of the contract exceeds the current appropriation and forward estimates periods FMA Reg 10 authorisation by the Minister of Finance and Deregulation, or his delegate is required.
- 4.8.6 Following review by the CMC, final contract details will need to be negotiated with the successful tenderer. Assistance from the ABCC's solicitors in the drafting of the contract may be required. Once finalised, the contract is to be prepared and presented to CMC for review.
- 4.8.7 The contract must be signed by the appropriate ABCC delegate (the Approver).

## 4.9 Contract Register

- 4.9.1 The Chief Financial Officer is required to maintain a Contract Register to record all Category 1 contracts with a value between \$10,000 and \$50,000 (incl. GST), all Category 2 contracts and all Consultancy contracts.
- 4.9.10 A copy of all Category 1 contracts with a value between \$10,000 and \$50,000 (incl. GST), all Category 2 contracts and all Consultancy contracts is to be provided by the Contract Manager to the Assistant Director, Business Services for recording in the Contract Register.

## 4.10 Government Reporting Requirements

### Senate Order

- 4.10.1 A Senate Order requires agencies to publish all contracts which have not been fully performed or which had been entered into in the previous twelve months, and which provided consideration of \$100,000 or more on the internet. The list is required to indicate, amongst other things, whether any of the contracts listed contained confidentiality or disclosure provisions.
- 4.10.2 The ABCC is required to update its internet site within two months of the:
- end of financial year; and
  - end of calendar year.
- 4.10.3 The Department of Finance and Deregulation provides guidance in respect of [Senate Order No. 8 - Agency Contract Lists](#).

### Reporting in Gazette Publishing System (GaPS)

- 4.10.4 Business Services is to report all orders with a value of \$10,000 or more in the Gazette Publishing System (GaPS) within the timeframes outlined in the CPGs (currently 6 weeks).

### Annual Procurement Plan

- 4.10.5 The CPGs require agencies to publish an annual Procurement Plan on AusTender between 1 June - 30 June each year. Business Services is responsible for coordinating the annual plan which is to be presented to CMC for approval.
- 4.10.6 Following approval by CMC, Business Services is to ensure that the annual Procurement Plan is placed on Austender and the ABCC website.

### Annual Report

- 4.10.7 The “[Requirements for Annual Reports](#)” issued by the Department of Prime Minister and Cabinet require agencies to list consultants and Competitive Tendering and Contracting (CTC) activity related to the outsourcing of the delivery of government services in their annual report.

## 4.11 Delegate Approval

- 4.11.1 All proposals to spend public moneys must be legally approved. For the purpose of the FMA Regulations, the ABCC defines a person who has been delegated the authority to approve proposals to spend public money as an “Approver”.
- 4.11.2 Prior to exercising their authority the Approver must:
- ensure that the proposal is supported by sufficient uncommitted Parliamentary appropriation. If not, under FMA Regulation 10, the authorisation of the Minister for Finance and Deregulation, or his delegate is required.
  - be satisfied that the proposal meets the requirements of FMA Regulations 9 - 13, as relevant;
  - follow any directions and conditions placed upon them (e.g. type and limit of funds);

- ensure the proposal is in accordance with legislation and policies of the Commonwealth including the Commonwealth Procurement Guidelines (CPGs);
- ensure the proposal will make ethical, efficient and effective use of public money;
- not approve payment in advance of satisfactory performance or delivery unless this represents best value for money; and
- document the terms of their approval.

4.11.3 In regard to approving proposals to spend public moneys Budget Managers, hold the prime delegation (as 'Approver') for their designated budget item. This recognises that Budget Managers should have prior knowledge of key expenditure transactions charged to their area of responsibility. For administrative efficiency, other specified delegates may approve minor expenditure proposals under a Budget Manager's designated budget item. The ABCC's Budget Managers are:

- Chief Financial Officer (for Finance and Business Services Group)
- Deputy ABC Commissioner, Field Operations (for Field Operations Group)
- Deputy ABC Commissioner, Legal (for Legal Group)
- Executive Director, People, Learning and Culture (for People, Learning and Culture Group)
- Executive Director, Public Affairs, Education and Industry Development (for Public Affairs, Education and Industry Development Group)
- Executive Director, Governance (for Governance Group).

## 4.12 Procurement of Goods and Services with a Commitment to Spend Moneys in Subsequent Financial Year(s)

4.12.4 If a spending proposal to procure goods and services commits the ABCC to the spending of public money in subsequent financial year(s), then a Delegated Official must not approve the proposal unless the Minister for Finance or a *Financial Management and Accountability Regulations 1997* Regulation 10 delegate has given written authorisation for the approval. Please consult the Director, Finance for further information.

## 4.13 Purchase of Mobile ICT Devices/Software

Mobile ICT devices include electronic laptops, tablets, notebooks, personal digital assistants, smartphones (e.g. Blackberry, iPhone), mobile phones and related software.

### 4.13.1 Hardware Purchases

- The prior approval of a business case by the ABC Commissioner or Delegated Official and Director, IT and Performance Analysis is required for any purchase.
- Only the Director, IT and Performance Analysis and Assistant Director, Business Services are authorised to make purchases via the Department of Finance and Deregulation approved Panel arrangements.
- Purchases can only be made via the Department of Finance and Deregulation approved Panel arrangements.
- The ABCC corporate purchasing card must not be used to make these purchases.
- The replacement cycle for smart phones and tablets is 2 years and notebooks is 3 years.

### 4.13.2 Software Purchases

- The prior approval of a business case by the ABC Commissioner or Delegated Official and Director, IT and Performance Analysis is required before any paid or free application is purchased or downloaded via the ABCC iTunes account or similar on any ABCC-owned devices.
- Only the Director, IT and Performance Analysis is authorised to purchase software for ABCC owned devices. The ABCC corporate purchasing credit card may be used for this purpose.
- The prior approval of a business case by the ABC Commissioner or Delegated Official and Director, IT and Performance Analysis is required before reimbursement is provided on any business related software application for non-ABCC hardware.

#### 4.13.3 SIM Cards or Mobile/Data Plans

- Only the Director, IT and Performance Analysis and Assistant Director, Business Services are authorised to arrange SIM cards and mobile/data plans for ABCC-owned mobile ICT devices.
- SIM cards and mobile/data plans may only be arranged via the Department of Finance and Deregulation approved Panel arrangements.
- Staff may use their own phone and service provider for ABCC business use. The ABCC will not provide reimbursement for any call charges, SIM or data plans for personally-owned or non-ABCC mobile ICT devices.
- The ABCC will only pay on approval of the ABC Commissioner or Delegated Official and Director, IT and Performance Analysis for DEEWR-supplied software to allow for secure access to ABCC email, calendar and contact information.

# Appendix A: Procurement Policy Summary

Before entering any purchasing commitment, the following principles must be considered:

**(a) 'Value for Money'**

'Value for Money' is the core principle governing Commonwealth procurement. Employees buying goods and services need to be satisfied that the best possible outcome is achieved taking into account all relevant costs and benefits over the whole of the procurement cycle.

Other issues to consider include:

- quality of product;
- supplier reputation;
- supplier reliability; and
- ABCC's Environment Management policy.

Employees have an obligation to conduct procurement in accordance with relevant Government policy including the use of Common Use Arrangements where they exist.

**(b) Encouraging Competition**

Competition is a key element of the Government's procurement framework. Effective competition requires non-discrimination in procurement and the use of competitive procurement processes.

All potential suppliers should have the same opportunity to compete for Government business, be treated equally on their legal, commercial, technical, and financial abilities, and not on their degree of foreign affiliation or ownership, location or size. The goods or services on offer must be considered on the basis of their suitability for their intended purpose, and not on the basis of their origin.

There is a need to ensure that small and medium enterprises (SMEs) are able to engage in fair competition for Government business and that procurement methods do not unfairly discriminate against SMEs.

**(c) Efficiency and Effectiveness**

Employees approving expenditure proposals must satisfy themselves that the proposed expenditure will make efficient and effective use of public money (FMA Reg 9 (b)).

**(d) Contestability and Competitive Neutrality**

Competitive Neutrality policy promotes efficient competition between public and private business operating in the same market.

Whole-of-Government supplier Pre-qualification Arrangements

The Endorsed Supplier Arrangement (ESA) covers:

- information technology and major office machines;
- commercial office furniture; and
- auctioneering services.

It is mandatory for the ESA to be used when purchasing information technology and major office machines. Details can be found on the Corporate Services Team intranet.

**(e) Accountability and Transparency**

Employees and agencies are accountable for any plans, actions and outcomes that involve spending public monies. It is important that all statutory reporting requirements are met.

All open approaches to the market are to be published on the Governments “AusTender” system, placed on the ABCC website and if necessary advertised in the media. The request documentation provided to suppliers must be identical to that published on AusTender.

**(f) Ethics**

Procurement must be conducted ethically to enable buyers and suppliers to:

- deal with each other on a basis of mutual trust and respect; and
- conduct business fairly, reasonably and with integrity.

The Government is committed to increasing the use of [Electronic Commerce](#) by Australian business. Any electronic procurement implementations within agencies should be consistent with the Framework for National Co-operation on Electronic Commerce in Government Procurement.



# Appendix C: Contract Manager Responsibilities

The Contract Manager's responsibilities can be divided into pre-implementation and post implementation responsibilities. However, the procedures will vary depending on the value of the contract. Category 1 contracts with a value between \$20,000 and \$50,000 (incl. GST) do not require CMC review. Category 2 contracts require CMC review.

## 1. Pre-implementation Responsibilities

### a) Development of contract proposal

Following the identification of a need for goods/services, a contract proposal is prepared and presented to CMC for review.

### b) Development of tender documentation

Following review by CMC, the tender documentation (template RFT is available from the intranet) can be prepared and presented to CMC for review.

### c) Posting of tender documentation

Following review by CMC, the tender documentation (including a draft of the contract) can be posted to AusTender, the ABCC website and if considered warranted advertised in the media.

### d) Tender closing date

After the closing date for tenders, no further information or pricing change is to be accepted from tenderers without consulting with the CMC. If the Evaluation Committee requires further information from tenderers after the closing date it should provide a list of the questions to be asked to the CMC for consideration.

### e) Evaluation of tenders

The Evaluation Committee prepares an evaluation of each tender against the selection criteria. The short listing of the tenders following an initial assessment against the criteria may be appropriate. The evaluation, together with an analysis of resourcing implications, risk assessment, implementation strategy, contracting issues and recommendations is presented to CMC for consideration. The CMC may request additional information before making a recommendation.

### f) Pre-contract communications with tenderers

Initially, the selected tenderer should be advised they are the preferred tenderer. The non-selected tenderers should not be advised till contract negotiations with the preferred tenderer are complete. If non-selected tenderers enquire during this period, they should be advised that the decision process is still underway.

### g) Contract negotiations with successful tenderer

Final contract details will need to be negotiated with the successful tenderer. Once finalised, the contract is to be prepared and presented to CMC for review. It may take several iterations before the final contract is agreed with the supplier.

The Contract Manager is responsible for the draft contract regardless of whether the document is prepared by the ABCC or the supplier. There is a preference for using ABCC contracts (template contract available on intranet). This includes ensuring that the provisions of the Commonwealth's framework are reflected (e.g. access by auditors, confidentiality and disclosure of information) and agreed service level standards (if applicable). The draft contract is to be referred to the CMC. In some instances the CMC may request that the draft contract be referred to the ABCC's solicitors.

In the event that a contract is not signed with the preferred tenderer, the CMC may be asked to consider whether contract negotiations be entered into with one of the other tenderers.

**h) Submission to appropriate delegate ('the Approver') for approval;**

The contract involves spending implications for the ABCC. Accordingly, the contract can be signed only by a person with an appropriate delegation to spend public moneys on behalf of the ABCC.

**i) Notification to unsuccessful tenderers**

Once the contract has been signed, unsuccessful tenderers are to be notified that a contract has been signed with the successful tenderer. The name of the successful tenderer may be disclosed, but not the tender price.

**j) Recording contract details in 'Contract Register'**

The Contract Manager is responsible for ensuring that the Contract Register is kept up to date by forwarding contract details to the CMC on a '[Contract Register Update](#)' form (ref Appendix D).

**k) Implementation of contract**

This includes transition-in plan, liaison with supplier, resourcing, training, new procedures, communication with ABCC staff and post implementation review.

## 2. Post Implementation Responsibilities

### a) Contract file

The Contract Manager is to maintain an official ABCC file for each contract for which they are responsible. The Contract file should contain a copy of all documentation associated with the contract, including the final signed contract.

### b) Contract Coordinator

The Contract Manager may appoint a Contract Coordinator to assist with day to day contract issues. However, the Contract Manager retains overall responsibility for the management of the contract.

### c) Performance reporting to CMC

The Contract Manager is to regularly review the performance of contractor performance against service level standards (time, cost, quantity, quality etc.) and provide performance reports to the CMC.

### d) Variations to contract

Any variations proposed to the terms of the contract are to be submitted to CMC for consideration. Approved variations are to be kept on the 'Contract file' with the original contract.

### e) Recording updated contract details in 'Contract Register'

The Contract Manager is responsible for ensuring that the Contract Register is kept up to date by forwarding details of approved contract variations to the CMC on a '[Contract Register Update](#)' form (ref Appendix D).

### f) Cost management

The Contract Manager is responsible for initiatives that will improve the cost effectiveness of goods/service delivery.

### g) Succession planning

The Contract Manager needs to provide for succession processes to ensure a smooth transition at the end of the contract, whether:

- an extension to the existing contract with any revised service standards;
- the selection of a new provider; or
- returning services in-house.

If it is proposed to extend the contract, the Contract Manager will need to prepare a proposal for review by the CMC.

If a new tender process is undertaken, the successful tender is to be treated as a new contract.

# Appendix D: Contract Register Update

**To: Assistant Director, Business Services**

Please update the ABCC's 'Contract Register' for the following:

(tick as appropriate)

New contract; or

Variation or extension to an existing contract

Contract Number (required only for variation or extension)	
Vendor Name	
Vendor No.	
ABN	
Contract Manager	
Contract Type	
Services to be Delivered/Reason for Contract	
Reason for Consultancy Contract	
Start Date	
End Date	
Procurement Method	
File No.	
File No. Comment	
Finance Unit Reviewer	
Legal Reviewer	
Standing Offer	
Value of Contract (inc GST)	
Estimated Value	
Value of Indemnities	
GST Status	
Contract Variations	
Date of Contract Variations	
Value of Contract Variations	
Revised Value of Contract	
Confidentiality Comments	
AusTender Contract ID No.	
Vendor Postal Address	

Signature .....

Name .....  
(Contract Manager)